### IMPORTANT NOTICE

# THE ENCLOSED CHARGE OF DISCRIMINATION ISSUED BY THE SECRETARY OF THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GIVES YOU THE FOLLOWING IMPORTANT RIGHTS AND RESPONSIBILITIES:

### I. Election of Civil Action or Administrative Proceeding

If you are either the person charged or any aggrieved person on whose behalf this Charge is brought, you have the right to <u>choose</u> one of two judicial forums in which the issues involved in the Charge will be heard. The two forums are: (1) a United States government administrative proceeding before an independent United States government administrative law judge; and (2) a United States federal district court (district court).

If you want to have your case tried in a United States government administrative proceeding, you need take no action. If you take no action and if no other person decides to go to federal district court, an administrative hearing automatically will be held before an independent United States government administrative law judge.

If you want this matter to proceed to a U.S. federal district court, you must follow the procedure set forth at Section I.C of this Important Notice.<sup>1</sup>

If no person elects to have this matter decided in a U.S. federal district court, an administrative hearing shall commence within 120 days from the date of the Charge of Discrimination, unless impracticable, in which case the administrative law judge will provide the parties with written notification of the reasons therefore. The hearing shall be conducted at a place in the vicinity in which the discriminatory housing practice is alleged to have occurred or to be about to occur. (42 U.S.C. § 3612(b), (g); 24 C.F.R. § 180.600).

If no person elects to have this matter decided in a U.S. federal district court, the administrative law judge shall issue an Order setting forth the discovery schedule, the hearing date, and the location of the hearing.

The proceeding will be conducted in accordance with the Consolidated HUD Hearing Procedures for Civil Rights Matters set forth at 24 C.F.R. Part 180.

### A. Advantages of Administrative Proceeding

<sup>&</sup>lt;sup>1</sup> In addition to HUD's administrative law judges, administrative law judges at the United States Environmental Protection Agency ("EPA") are authorized to hear cases pending before HUD pursuant to an interagency agreement. Prior to the expiration of the 20-day election period in this case, you may receive notice that the case has been assigned to an EPA judge. This does not affect your ability to elect to proceed in federal court or the procedures described in this Notice.

### 1. Speed

The administrative hearing process was created by Congress to provide for a quick and inexpensive way to resolve housing discrimination charges. 42 U.S.C. § 3612(d) and (g). The time from the issuance of the Charge until the issuance of the administrative law judge's decision is about six months. In contrast, because of the large number of criminal cases in district courts, which, under the Speedy Trial Act, take precedence over all other cases, it is not uncommon for civil litigation such as fair housing cases to take on average at least two years to be litigated in district court.

### 2. Free HUD Counsel

If this case is tried in a United States government administrative proceeding, an attorney from the United States Department of Housing and Urban Development will prosecute the case on behalf of the aggrieved person at no charge. Providing the opportunity to have a United States Department of Housing and Urban Development lawyer prosecute the case was intended by Congress to give aggrieved persons expert advice from lawyers representing the Department that is in charge of implementing the Fair Housing Act.

### 3. Remedy

The independent United States government administrative law judge may order injunctive and other equitable relief and monetary relief for actual damages (including damages caused by humiliation and/or emotional distress) and may also impose civil penalties payable to the government.

### **B.** Advantages of Judicial Proceeding

### 1. Jury Trial

If this case proceeds to a district court, any party may choose to have the case decided by a jury.

### 2. Free Department of Justice Counsel

If the case proceeds to a district court, an attorney from the United States Department of Justice will prosecute the case at no charge.

### 3. Remedy

The district court may order injunctive and other equitable relief and monetary relief for actual damages (including damages caused by humiliation and/or emotional distress) and punitive damages.

### C. Procedure for Making an Election

If you want to have your case tried in district court, an election must be filed with the Docket Clerk, at the following address, **no later than the 20<sup>th</sup> day following your receipt of the enclosed Charge of Discrimination**. (42 U.S.C. § 3612(a); 24 C.F.R. § 180.410(b)(2)). Documents are not filed until received by the Docket Clerk. Filing may be by first class mail, delivery, facsimile transmission or electronic means (email) at:

### Regular Mail Address

Docket Clerk
Office of Adminstrative Law Judges
U.S. Department of Housing and Urban Development
451 7<sup>th</sup> St., SW, Rm B-133
Washington DC 20410

### Overnight Courier

Docket Clerk
Office of Administrative Law Judges
U.S. Department of Housing and Urban Development
409 3rd Street, SW, Suite 201
Washington, DC 20024
Telephone Number: (202) 254-0000

### Facsimile

(202) 619-7304 Attn: Docket Clerk

### **Email**

alj.alj@hud.gov

### Inter-Agency mail

Office of Adminstrative Law Judges/OHA Room B-133

You must also give written notice of your election to go to federal district court to the following individuals:

### **COMPLAINANT:**

Casey L. Street 2218 24th Avenue Gulfport, Mississippi 39501

### **COMPLAINANT'S REPRESENTATIVE:**

Gulf Coast Fair Housing Center 2218 24th Avenue Gulfport, Mississippi 39501

### **RESPONDENTS:**

Deanna Lynn Cooley 6823 Mescalero Drive Biloxi, Mississippi 39532

Precious Properties, Inc. Deanna Lynn Cooley, Registered Agent 6823 Mescalero Drive Biloxi, Mississippi 39532

Penny Pincher, Inc., 15029 Dedeaux Road Gulfport, Mississippi 39503

### **RESPONDENT'S REPRESENTATIVES:**

Ray Price Ray T. Price, PA 612 Main St Ste 210 Hattiesburg, Mississippi 39402

Jeff White Boyce Holleman and Associates 1720 23rd Avenue/Boyce Holleman Boulevard Gulfport, Mississippi 39501

### **OFFICIALS:**

Samantha A. Holloway
Trial Attorney, Fair Housing Enforcement
Office of General Counsel
U.S. Department of Housing and Urban Development
451 7<sup>th</sup> St., SW, Room 10270
Washington, DC 20410

Estelle D. Franklin
Associate General Counsel for Fair Housing
Office of General Counsel
U.S. Department of Housing and Urban Development
451 Seventh St., SW, Room 10272
Washington, DC 20410

Sara L. Pratt
Deputy Assistant Secretary for Enforcement & Programs

Office of Fair Housing and Equal Opportunity U.S. Department of Housing and Urban Development 451 Seventh St., SW, Room 5204 Washington, DC 20410

If a timely election to proceed in federal district court is made, the administrative proceeding will be dismissed.

### II. Procedural Rights and Responsibilities for Administrative Proceeding

### A. Answer

If you are the respondent in the administrative proceeding, you may file a written answer to the attached Charge by **November 8, 2010** (within 30 days of service of the Charge; 24 C.F.R. § 180.410(b)(4)(ii); 24 C.F.R. § 180.405(d)). <u>Documents are not filed until received by the Docket Clerk</u>. Filing may be by first class mail, overnight courier, facsimile transmission or electronic means (email) at:

### Regular Mail Address

Docket Clerk Office of Adminstrative Law Judges U.S. Department of Housing and Urban Development 451 7<sup>th</sup> St., SW, Rm B-133 Washington DC 20410

### Overnight Courier

Docket Clerk
Office of Administrative Law Judges
U.S. Department of Housing and Urban Development
409 3rd Street, SW, Suite 201
Washington, DC 20024
Telephone Number: (202) 254-0000

## Facsimile (202) 619-7304

Attn: Docket Clerk

### Email

alj.alj@hud.gov

Any such answer shall include:

1. A statement that the respondent admits, denies, or does not have and is unable to obtain sufficient information to admit or deny, each allegation made in the Charge. A statement of lack of information shall have the effect of a denial. Any allegation that is not denied shall be deemed admitted.

2. A statement of each affirmative defense and a statement of the facts supporting each affirmative defense.

<u>NOTE</u>: If you decline to file an answer by the date specified above, it shall be deemed an admission of all matters of fact recited in the Charge of Discrimination and may result in the entry of a default decision. (24 C.F.R. § 180.420(b)).

### **B.** Request for Intervention

If you are the aggrieved person on whose behalf the attached Charge was filed, you may participate as a party in the administrative proceeding by filing a timely request for intervention. In order for requests for intervention to be timely, they must be filed with the Docket Clerk by November 26, 2010 (within 50 days after the filing of the Charge; 24 C.F.R. § 180.310(b)).

### C. Discovery

All discovery for the administrative proceeding will be completed 15 days before the date scheduled for the hearing (see Section I, above) or at such time as the administrative law judge shall direct (24 C.F.R. § 180.500(a)). If no person elects to have the claims asserted in this Charge decided in a civil action in district court, a lawyer from the United States Department of Housing and Urban Development will contact you or your representative to discuss scheduling the discovery of information relevant to transactions and events related to the enclosed Charge.

In order to meet your discovery obligations (for either an administrative proceeding or a proceeding in federal court), you should maintain in their current form any and all records, documents, files, or tapes that could pertain to this matter. Discovery of electronic information is treated on equal footing with paper documents. Electronically stored information is defined expansively to include <u>any</u> type of information that is stored on a computer or other electronic medium, including, but not limited to: email messages and attachments; other electronic communications; word processing documents; spreadsheets; tables; data; photographs; sound recordings, and telephone logs. These materials may not be destroyed or altered pending the outcome of this litigation. The destruction or alteration of any evidence concerning this matter could result in sanctions.

To meet your discovery obligations, you should take all reasonable steps to:

- Prevent deleting or discarding any information, including electronic information, related to the matters described in the enclosed Charge of Discrimination.
- Assess how information, including electronic information, is stored, how it can be produced, and what evidence is relevant to the case.

### III. Restrictions on Respondent's Sale or Rental of Property

If at any time following the service of the attached Charge, the respondent intends to enter into a contract, sale, encumbrance, or lease with any person regarding the property that is the subject of the Charge, the respondent must provide a copy of the Charge to such person before the respondent and that person enter into the contract, sale, encumbrance or lease. 24 C.F.R. § 180.410(b)(5).

If there is anything in this notice that you do not understand or if you have additional questions, contact: Timothy C. Lambert, Deputy Assistant General Counsel for Fair Housing Enforcement, at 202-402-5383.

Enclosures: Charge of Discrimination

Determination of Reasonable Cause

## UNITED STATES OF AMERICA DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OFFICE OF ADMINSTRATIVE LAW JUDGES

The Secretary, United States	)	
Department of Housing and Urban	)	
Development, on behalf of Casey Street,	)	
	)	
Charging Party,	)	
	)	
V.	)	HUD ALJ No.
	)	FHEO No. 04-08-0813-8
Deanna Lynn Cooley, Precious Properties, LLC,	)	
and Penny Pincher, Inc.,	)	
Respondents.	)	
	)	

### **CHARGE OF DISCRIMINATION**

### I. JURISDICTION

On January 22, 2009, Complainant Casey Street ("Street") filed a verified complaint with the United States Department of Housing and Urban Development ("HUD" or "Charging Party") alleging that Respondents Deanna Lynn Cooley ("Cooley") published discriminatory advertisements in violation of subsections 804(a) and 804(c) of the Fair Housing Act ("Act"), 42 U.S.C. § 3604(a),(c). The complaint was amended on March 17, 2009 to add Penny Pincher, Inc. ("Penny Pincher") as a respondent. The complaint was further amended on May 11, 2009 to add Precious Properties, LLC ("Precious Properties") as a Respondent.

The Act authorizes the issuance of a Charge of Discrimination on behalf of an aggrieved person following an investigation and a determination that reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur. 42 U.S.C. § 3610(g)(1)-(2). The Secretary of HUD has delegated to the Assistant Secretary for Fair Housing and Equal Opportunity the authority to make such a determination and to the General Counsel the authority to issue a Charge of Discrimination. 74 Fed. Reg. 62801, 62802 (Dec. 1, 2009). The General Counsel has redelegated that authority to the Associate General Counsel for Fair Housing. 74 Fed. Reg. 62803, 62804 (Dec. 1, 2009).

The Director of the Office of Fair Housing and Equal Opportunity for Region IV, on behalf of the Assistant Secretary for Fair Housing and Equal Opportunity, has determined that reasonable cause exists to believe that a discriminatory housing practice occurred in this case and has authorized the issuance of this Charge of Discrimination.

### II. THE LEGAL AND FACTUAL BASIS FOR THIS CHARGE

Based on HUD's investigation of the allegations contained in the aforementioned complaint and the Determination of Reasonable Cause, Respondents are charged with violating 42 U.S.C. § 3604(a) and 42 U.S.C. § 3604(c) as follows:

### A. LEGAL AUTHORITY

- 1. It is unlawful to refuse to rent a dwelling to a person who has made a bona fide offer, or to refuse to negotiate with a person for the rental of a dwelling, or otherwise make housing unavailable because of familial status. 42 U.S.C. § 3604(a); 24 C.F.R. § 100.60(a).
- 2. It is unlawful to make, print, or publish, or cause to be made, printed or published any notice, statement, or advertisement, with respect to the rental of a dwelling that indicates any preference, limitation, or discrimination based on familial status, or an intention to make any such preference, limitation, or discrimination. 42 U.S.C. § 3604(c); 24 C.F.R. § 100.75(a)-(c).
- 3. "Familial status" is defined to include one or more individuals under the age of eighteen years being domiciled with a parent or person having legal custody of such individual(s). 42 U.S.C. § 3602(k); 24 C.F.R. § 100.20.

### B. PARTIES AND SUBJECT PROPERTY

- 4. Complainant Casey Street resides in Gulfport, Mississippi with her husband and three minor children, ages 9, 10 and 15. At all times relevant to this Charge, Complainant was searching for rental housing for her family. Complainant is an "aggrieved person" within the meaning of the Act. 42 U.S.C. § 3602(i).
- 5. Respondent Precious Properties is a limited liability partnership.
- 6. At all times relevant to this Charge, Respondent Precious Properties owned the single family dwelling located at 6810 Mescalero Road, Biloxi, Mississippi 39532 ("subject property").
- 7. Respondent Deanna Lynn Cooley serves as an agent and officer of Respondent Precious Properties.
- 8. Respondent Penny Pincher, located at 15029 Dedrux Road, Gulfport, Mississippi, is a newspaper corporation which produces a free weekly

<sup>&</sup>lt;sup>1</sup> Pursuant to subsection 803(b)(1)(A)-(B) of the Act, Respondent Precious Properties is not exempt from liability under subsection 804(a) because it used Respondent Cooley as its agent and published an advertisement in violation of subsection 804(c).

newspaper that distributes over 40,000 copies in several counties along the Mississippi Gulf Coast.

### C. ALLEGATIONS

- 9. On or about January 25, 2008, Complainant Street viewed a discriminatory advertisement placed in Respondent Penny Pincher's newspaper that stated the following: "FOR RENT: D'Iberville, 2 bedroom, great neighborhood, no children, \$850 deposit, \$850 rent, 228-217-5210."
- 10. At the time that she viewed the advertisement, Complainant Street was seeking housing and would have been interested in renting the subject property but for the advertisement's "no children" restriction.
- 11. Respondent Cooley served as Respondent Precious Properties' agent to secure tenants for the subject property.
- 12. Respondent Cooley admits to submitting the advertisement to Respondent Penny Pincher for publication in its newspaper.
- 13. By submitting the advertisement to be published, Respondent Cooley made housing unavailable based on familial status in violation of 42 U.S.C. § 3604(a). Respondent Precious Properties is vicariously liable for the discriminatory acts of Respondent Cooley.
- 14. By submitting the advertisement be published, Respondent Cooley made, published, or caused to be published a discriminatory advertisement based on familial status in violation of 42 U.S.C. § 3604(c). Respondent Precious Properties is vicariously liable for the discriminatory acts of Respondent Cooley.
- 15. By publishing the advertisement, Respondent Penny Pincher published a discriminatory advertisement based on familial status in violation of 42 U.S.C. § 3604(c).
- 16. These alleged actions injured Complainant Street by making a housing opportunity unavailable to her because of familial status and causing her emotional distress.

### III. CONCLUSION

WHEREFORE, the Secretary of the U.S. Department of Housing and Urban Development, through the Office of General Counsel, and pursuant to 42 U.S.C. § 3610(g)(2)(A) of the Act, hereby charges Respondents Deanna Lynn Cooley, and Precious Properties, LLC with engaging in discriminatory housing practices in violation of 42 U.S.C. § 3604(a) and 42 U.S.C. § 3604(c), and Penny Pincher, Inc. with engaging

in discriminatory housing practices in violation of 42 U.S.C. § 3604(c) and prays that an order be issued that:

- 1. Declares that the discriminatory housing practices of Respondents, as set forth above, violate the Act;
- 2. Enjoins Respondents, their agents, employees and successors, and all other persons in active concert or participation with them from discriminating against any person because of race, color, sex, national origin, familial status, religion, and disability in any aspect of the rental, sale, occupancy, use or enjoyment of a dwelling;
- 3. Awards such monetary damages as will fully compensate Complainant Casey Street for the harms she suffered;
- 4. Assess a civil penalty against each Respondent for each violation of the Act pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.671(a)(1); and
- 5. Awards any additional relief as may be appropriate under 42 U.S.C. § 3612 (g)(3).

Respectfully submitted,

Estelle D. Franklin

Associate General Counsel for

Fair Housing

U.S. Department of Housing and

Urban Development

451 7th Street SW, Room 10272

Washington, DC 20410

Tel: (202) 708-2787

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Samantha A. Holloway

Trial Attorney

Office of General Counsel

Fair Housing Enforcement

U.S. Department of Housing and

Urban Development

451 7th Street SW, Room 10270

Washington, DC 20410

Tel: (202) 402-2523

Fax: (202) 619-8004

Dated: October 6, 2010

### MIXED DETERMINATION OF REASONABLE CAUSE AND NO REASONABLE CAUSE

CASE NAME:

Casey Street v. Deanna Lynn Cooley, et al.

CASE NUMBER:

04-08-0813-8

### I. JURISDICTION

Casey Street ("Street") filed a verified complaint with HUD on or about January 22, 2009, alleging that Respondent Deanna Lynn Cooley ("Cooley") engaged in discriminatory acts in violation of the Fair Housing Act ("Act"), 42-U.S.C. § 3601 et seq. Complainant alleged that Respondent Cooley refused to rent and made or published discriminatory advertising based on familial status. The most recent act is alleged to have occurred on January 25, 2008. If proven, the allegations would constitute violations of subsections 804(a) and 804(c) of the Act. The subject property is located at 6810 Mescalero Drive, Biloxi, Mississippi ("subject property"). The subject property is not exempt under the Act.

The complaint was amended on March 17, 2009 to add Penny Pincher, Inc. ("Penny Pincher") as a respondent. The complaint was further amended on May 11, 2009 to add PSL, Inc. ("PSL") as a respondent. The complaint was amended on December 10, 2009 to add the following respondents: Michael Jenner ("Jenner"), Precious Properties, LLC ("Precious Properties"), Edward Little, Sierra Sykes ("Sykes"), Emily Herrington ("Herrington"), Kimberly Riley ("Riley"), and Heather Little. The complaint was also amended on June 28, 2010 to remove Respondent Jenner and add Michael Law ("Law") as a respondent. If proven, the allegations would constitute violations of subsection 804(a) and (c) of the Act. Respondents do not receive federal funding.

### II. COMPLAINANT'S ALLEGATIONS

Complainant Street states that while searching for available rental housing, she read an advertisement in Respondent Penny Pincher's newspaper that specified "no children." Complainant alleges that Respondents' discriminatory acts prevented her from renting the subject property because she has minor children.

### III. RESPONDENTS' DEFENSES

Respondent Penny Pincher does not deny that the advertisement contained in Complainant Street's complaint was published in the Penny Pincher newspaper. Penny Pincher denies, however, publishing discriminatory advertisements in violation of the Act. Respondents Riley, Herrington, Heather Little and Edward Little deny soliciting, accepting or reviewing the advertisement.

Respondent Sykes was not served with a copy of the Complaint and the amended complaints and therefore did not provide an answer to HUD.

Respondent Cooley is an officer and agent of Respondents PSL and Precious Properties. Respondent Cooley admits to publishing the advertisement in Respondent Penny Pincher's newspaper, but denies discriminating against families with children. Respondent Law denies submitting the advertisement to Respondent Penny Pincher and discriminating against families with children. Respondent Law also denies that he is an agent of Respondent Precious Properties because he does not have the authority to rent the subject property.

### IV. FINDINGS & CONCLUSIONS

### A. Parties

- 1. Complainant Street lives with her husband and three minor children, ages 9, 10, and 15 in Gulfport, Mississippi. At all times relevant to this investigation, Complainant Street was looking for rental housing for her family.
- 2. Respondent Penny Pincher is a newspaper corporation wholly owned by Wanda Gautreaux. Donna Gautreaux Chiasson is its Registered Agent. The Penny Pincher newspaper is a weekly free publication that distributes 40,000 copies in several counties along the Mississippi Gulf Coast.
- 3. Respondent Edward Little is an independent contractor who solicits advertisements for Respondent Penny Pincher to be published in the Penny Pincher newspaper.
- 4. Respondent Sykes is a former employee of Respondent Penny Pincher.
- 5. Respondent Herrington is a graphic artist and designer employed by Respondent Penny Pincher.
- 6. Respondent Heather Little is an advertising representative employed by Respondent Penny Pincher.
- 7. Respondent Riley is an advertising representative employed by Respondent Penny Pincher.
- 8. Respondent PSL is a corporation located in Biloxi, Mississippi. Deanna Cooley is its officer and agent.
- 9. Respondent Precious Properties is a limited liability partnership that owns the subject property. Deanna Cooley is its officer and agent.
- 10. At all times relevant to this investigation, Respondent Precious Properties owned the single family dwelling located at 6810 Mescalero Road, Biloxi, Mississippi 39532. ("subject property"). In addition to the subject property, Respondent Precious Properties owns another dwelling located at 6828 Mescalero Road, Biloxi, Mississippi 39532.
- 11. Respondent Cooley is a licensed real estate agent and secures tenants for Respondent

Precious Properties.

12. Respondent Law assists Respondent Cooley in renting the subject property on behalf of Respondent Precious Properties.

### A. Summary of Facts

- On or about January 25, 2008, Complainant became aware of a discriminatory advertisement placed in Respondent Penny Pincher's newspaper that stated: "FOR RENT: D'Iberville, 2 bedroom, great neighborhood, no children, \$850 deposit, \$850 rent, 228-217-5210."
- 2. Respondent Cooley admits to submitting the advertisement to Respondent Penny Pincher for publication in its newspaper.
- 3. The investigation established that Respondent Penny Pincher published the advertisement.
- 4. The investigation failed to establish that Respondents Edward Little, Sykes, Riley, Herrington, or Heather Little solicited, accepted, or reviewed the advertisement.
- 5. The investigation established that Respondent Cooley served as Respondent Precious Properties' agent to secure tenants to rent the subject property.
- 6. The investigation established that Respondent Law assisted Respondent Cooley in securing tenants to rent the subject property.

## B. Subsection 804(a) Refusal to Rent or Otherwise Make a Dwelling Unavailable Because of Familial Status

### REASONABLE CAUSE as to Respondents Cooley and Precious Properties.

Subsection 804(a) makes it unlawful to refuse to rent a dwelling to a person who has made a bona fide offer, or to refuse to negotiate with a person for the rental of a dwelling, or otherwise make housing unavailable because of familial status. Under the Act, a housing provider is exempt from liability under Section 804(a) if the housing provider owns less than three single family dwellings, rents the subject property without the assistance of an agent and without publishing a discriminatory advertisement in violation of subsection 804(c). See 42 U.S.C. § 3603(b)(1). The term "agent" includes any person authorized to perform an action on behalf of another person regarding any matter related to the rental of dwellings, including offers or solicitations. See 24 C.F.R. § 100.20(b).

The investigation established that Respondents Cooley acted as an agent of Respondent Precious Properties to secure tenants to rent the subject property. Respondent Cooley also placed an advertisement in the Penny Pincher newspaper that violates subsection 804(c) of the Act. Pursuant to subsection 803(b)(1)(A)-(B) of the Act, Respondent Precious Properties is not exempt from liability for a violation of subsection 804(a) of the Act

The investigation showed that Complainant Street had children, was seeking housing, viewed the advertisement, and would have been interested in renting the subject property but for the advertisement's "no children" restriction. Accordingly, Respondents Cooley and Precious Properties made housing unavailable to her because of familial status in violation of subsection 804(a) of the Act.

## NO REASONABLE CAUSE as to Respondents Penny Pincher, Law, PSL, Edward Little, Sykes, Herrington, Riley, and Heather Little.

The investigation failed to show that Respondents Penny Pincher, Law, PSL, Edward Little, Sykes, Herrington, Riley, and Heather Little denied Complainant Street a housing opportunity or otherwise made one unavailable to her. Thus, there is no reasonable cause to believe that Respondents Penny Pincher, Law, PSL, Edward Little, Sykes, Herrington, Riley, and Heather Little violated subsection 804(a) of the Act as alleged.

## C. Subsection 804(c) Discriminatory Notice, Statement, or Advertisement Based on Familial Status

## REASONABLE CAUSE as to Respondents Cooley, Precious Properties, and Penny Pincher.

Subsection 804(c) of the Act makes it unlawful "to make, print, or publish, or cause to be made, printed or published any notice, statement, or advertisement, with respect to the rental of a dwelling that indicates any preferences, limitation, or discrimination based . . . familial status . . . or an intention to make any such preference, limitation or discrimination." To determine whether an advertisement indicates a discriminatory preference, an "ordinary reader" standard is most commonly used. See Jancik v. HUD, 44 F.3d 553, 556 (7th Cir. 1995); Ragin v. New York Times Co., 923 F.2d 995, 999 (2d Cir. 1991). Under this standard, a respondent is liable under the Act if the advertisement would suggest to an ordinary reader that families with children are not welcome or are discouraged from applying. See White v. HUD, 475 F.3d 898, 905-06 (9th Cir. 2007); Jancik, 44 F.3d at 556. Courts have determined that the ordinary reader is "neither the most suspicious nor the most insensitive of our citizenry." Ragin, 923 F.2d at 1002.

The investigation established that Respondent Cooley, on behalf of Respondent Precious Properties, caused the advertisement to be published in Respondent Penny Pincher's newspaper. The advertisement published in Respondent Penny Pincher's newspaper stated "no children." An ordinary reader could have reasonably inferred that children were not permitted to occupy the subject property. Accordingly, there is reasonable cause to believe that Respondents Cooley and Penny Pincher violated subsection 804(c) of the Act as alleged. Respondent Precious Properties is vicariously liable for Respondents Cooley's discriminatory acts.

## NO REASONABLE CAUSE as to Respondents PSL, Law, Edward Little, Sykes, Herrington, Riley, and Heather Little.

The investigation failed to establish that Respondent PSL or Law were involved in the making or publishing of the advertisement. Further, the investigation failed to establish

that Respondents Edward Little, Sykes, Herrington, Riley, and Heather Little solicited, accepted, or reviewed the advertisement. Thus, there is no reasonable cause to believe that Respondents PSL, Law, Edward Little, Sykes, Herrington, Riley, and Heather Little, violated the Act as alleged.

### V. ADDITIONAL INFORMATION

Notwithstanding this determination by HUD, the Fair Housing Act provides that the complainant may file a civil action in an appropriate federal district court or state court within two years after the occurrence or termination of the alleged discriminatory housing practice. The computation of this two-year period does not include the time during which this administrative proceeding was pending. In addition, upon the application of either party to such civil action, the court may appoint an attorney, or may authorize the commencement of or continuation of the civil action without the payment of fees, costs, or security, if the court determines that such party is financially unable to bear the costs of the lawsuit.

The Department's regulations implementing the Act require that a dismissal, if any, be publicly disclosed, unless the respondent requests that no such release be made. Such request must be made by the respondent within thirty (30) days of receipt of the determination to the Field Office of Fair Housing and Equal Opportunity at the address contained in the enclosed summary. Notwithstanding such request by the respondent, the fact of a dismissal, including the names of all parties, is public information and is available upon request.

A copy of the final investigative report can be obtained from:

US Department of Housing and Urban Development Sue Schofield, Program Assistant Office of Fair Housing and Equal Opportunity, Region IV Five Points Plaza, 40 Marietta Street Atlanta, Georgia 30303-2806.

Carlos Osegueda Regional Director

Office of Fair Housing and Equal Opportunity

5

### **CERTIFICATE OF SERVICE**

I HEREBY certify that on this day of October, 2010, the foregoing *Important Notice, Charge of Discrimination*, and *Determination of Reasonable Cause*, in FHEO Case Number 04-08-0813-8, were served on the following parties in the manner indicated:

### Email

alj.alj@hud.gov

### Inter-Agency mail

Office of Administrative Law Judges/OHA Room B-133

Sara L. Pratt
Deputy Assistant Secretary for Enforcement and Programs
Office of Fair Housing and Equal Opportunity
Department of Housing and Urban Development
451 Seventh Street, SW, Room 5204
Washington, DC 20410

Estelle D. Franklin Associate General Counsel for Fair Housing Office of General Counsel Department of Housing and Urban Development 451 Seventh Street, SW, Room 10272 Washington, DC 20410

### United Parcel Service - Overnight Delivery, Signature Required

Casey L. Street 2218 24th Avenue Gulfport, Mississippi 39501

Gulf Coast Fair Housing Center 2218 24th Avenue Gulfport, Mississippi 39501

Deanna Lynn Cooley 6823 Mescalero Drive Biloxi, Mississippi 39532

Precious Properties, Inc. Deanna Lynn Cooley, Registered Agent 6823 Mescalero Drive Biloxi, Mississippi 39532

Penny Pincher, Inc., 15029 Dedeaux Road Gulfport, Mississippi 39503

Respondents' Counsel:

Ray Price Ray T. Price, PA 612 Main St Ste 210 Hattiesburg, Mississippi 39402

Jeff White Boyce Holleman and Associates 1720 23rd Avenue/Boyce Holleman Boulevard Gulfport, Mississippi 39501

Chandre Breunen
Chandra Branch, Legal Assistant

United States Department of Housing and Urban Development

Office of General Counsel

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